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SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

X
92-2275

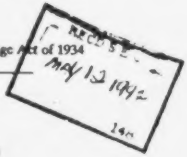
FORM 10-Q

(Mark One)

__X__ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended March 28, 1992 or

____ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period _____ to _____



Commission File Number: 0-8588

TECHNICAL COMMUNICATIONS CORPORATION
(Exact name of registrant as specified in its charter)

Massachusetts	04-2295040
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

11-11 (1)
PROCESSED BY

100 Domino Drive, Concord, MA 01742
(Address of principal executive offices)

MAY
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Q-Data Corp. - St. Petersburg, FL

Registrant's telephone number, including area code: 617-862-6035

N/A

(Former name, former address and formal fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. Number of shares of common stock, $0.10 par value, outstanding as of May 1, 1992 - 1,236,776.

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PART I. Financial Information - Item 1. Financial Statements

TECHNICAL COMMUNICATIONS CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

	(Unaudited) March 28, 1991	September 28, 1991
Assets		
Current Assets:		
Cash and Cash Equivalents	$ 6,103,199	$ 5,635,733
Accounts Receivable - Net of Allowances	4,263,404	4,288,732
Inventories (Note 2)	1,214,957	1,529,260
Refundable Income Taxes	421,509	421,509
Other Current Assets	194,249	111,320
Total Current Assets	$ 12,197,318	$ 11,986,554
Equipment and Leasehold Improvements	1,455,897	1,348,058
Less: Accumulated Depreciation and Amortization	929,131	870,096
	526,766	477,962
Other Assets	124,657	114,695
	$ 12,848,741	$ 12,579,211
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts Payable	$ 381,200	$ 831,558
Current Portion - Long-term Debt (Note 3)	327,089	327,089
Accrued Liabilities:		
Compensation & Related Expenses	717,360	1,343,238
Other	1,085,892	1,000,903
Accrued Income Taxes	358,390	- - - -
Total Current Liabilities	2,869,931	3,502,788
Long-Term Debt (Note 3)	1,637,954	1,801,498
Deferred Income Taxes	354,638	354,638
Stockholders' equity:		
Common Stock, par value $0.10 per share; authorized 3,900,000 shares; issued and outstanding 1,236,651 shares @ 3/28/92 and 1,234,276 shares @ 9/28/91	123,665	123,428
Additional paid-in capital	1,306,105	1,296,042
ESOP Deferred Compensation (Note 3)	(1,965,043)	(2,128,587)
Retained Earnings	8,521,491	7,629,404
Total Stockholders' Equity	7,986,218	6,920,287
	$ 12,848,741	$ 12,579,211

The accompanying notes are an integral part of these condensed consolidated financial statements.

TECHNICAL COMMUNICATIONS CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(Unaudited)

	Quarter Ended		Six Months Ended	
	March 28, 1992	March 30, 1991	March 28, 1992	March 30, 1991
Net Sales	$4,448,039	$ 2,517,496	$7,910,085	$6,428,485
Cost of Sales	1,709,278	818,022	3,096,522	2,201,058
Gross Profit	2,738,761	1,699,474	4,813,563	4,227,427
Operating Expenses:				
Selling, General and Administrative Expenses	1,384,817	1,200,283	2,670,967	2,620,754
Product Development Costs	495,344	310,176	938,601	616,118
	1,880,161	1,510,459	3,609,568	3,236,872
Operating Profit	858,600	189,015	1,203,995	990,555
Other Income (Expense)				
Interest Income	91,037	123,588	165,677	187,424
Interest Expense	(49,241)	(39,907)	(98,894)	(73,514)
Other Income	3,632	(372)	3,632	(298)
	45,428	83,309	70,415	113,612
Income Before Income Taxes	904,028	272,324	1,274,410	1,104,167
Income Taxes	269,357	92,588	382,323	375,417
Net Income	$ 634,671	$179,736	$ 892,087	$ 728,750
Earnings Per Common Share:				
Primary (Note 1)	$ .51	$ .15	$ .72	$ .60
Weighted Avg. Shares Used In Computation	1,236,323	1,226,065	1,235,559	1,224,783

The accompanying notes are an integral part of these condensed consolidated financial statements.

TECHNICAL COMMUNICATIONS CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended	
	March 28, 1992	March 30, 1991
OPERATING ACTIVITIES:		
Net Income	$ 892,087	$ 728,750
Adjustments to reconcile Net Income to Cash Provided (used) by Operating Activities:		
Depreciation & Amortization	73,291	65,310
CHANGES IN OPERATING ASSETS/LIABILITIES:		
Decrease (increase) in Accounts Receivable	25,328	3,199,947
Decrease (increase) in Inventories	314,303	19,963
Decrease (increase) in Other Current Assets	(82,929)	(23,973)
Decrease (increase) in Other Assets	(9,962)	(1,059)
Increase (decrease) in Accounts Payable and Other Current Liabilities	(991,247)	(1,049,547)
Increase (decrease) in Accrued and Deferred Taxes	358,390	(103,018)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	579,261	2,836,373
INVESTING ACTIVITIES:		
Additions to Equipment & Leasehold Improvements	(122,095)	(145,494)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(122,095)	(145,494)
FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	10,300	40,725
NET CASH PROVIDED BY FINANCING ACTIVITIES	10,300	40,725
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	467,466	2,731,604
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,635,733	4,037,601
CASH AND CASH EQUIVALENTS AT THE END OF THE SECOND QUARTER	$6,103,199	$6,769,205
Supplemental disclosure (see also Note 3):		
Interest Paid	98,894	58,514
Income Taxes Paid	42,207	419,407

The accompanying notes are an integral part of these condensed consolidated financial statements

TECHNICAL COMMUNICATIONS CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FAIR PRESENTATION

The financial information included herein is unaudited. In addition, the financial information does not include all disclosures required under generally-accepted accounting principles because certain note information included in the Company's annual audited financial statements included in the annual report to shareholders has been omitted from this report. The information herein should, therefore, be read in conjunction with the prior year's annual report. However, the financial information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods. The Company considers the disclosures adequate to make the information presented not misleading.

NOTE 1. Earnings Per Share

For the quarter and six-month periods ended March 28, 1992 and March 30, 1991, net earnings per common share are based on the weighted average number of shares outstanding during the period, since the effect of assumed conversion of dilutive employee stock options is not material.

NOTE 2. Inventories

Inventories consisted of the following:

	March 28, 1992	Sept. 28, 1991
Raw Materials	$ 292,717	$ 512,675
Work in Process	922,240	1,016,585
	$ 1,214,957	$ 1,529,260

NOTE 3. Long-Term Debt

Effective May 1, 1992, the Company and its bank renewed its existing Revolving Line of Credit Agreement. This provides an availability of up to $3,500,000 until May 1, 1993. Borrowings under the line of credit bear interest at the bank's prime rate plus one half percent (1/2%) per annum. The line of credit is secured by a lien on all of the Company's assets and will be used for working capital requirements and to support letters of credit. While there have been no borrowings under the line of credit, availability under the line has been reduced by $1,421,564 as of March 28, 1992 for outstanding letters of credit.

On November 17, 1989, the Company established the Technical Communications Corporation Employees' Stock Ownership Trust for the benefit of its employees. On March 13, 1990, the Trust, the Company and a bank entered into a loan agreement whereby the Trust could borrow up to $2,500,000 through March 31, 1991 to be used to purchase shares of the Company's Common Stock. On March 16, 1990, the Trust purchased 100,000 shares from the President of the Company and his family at the fair market value of $1,212,500. On February 11, 1991, the Trust purchased an additional 90,350 shares from the President of the Company and his family at the fair market value of $1,287,488. In August of 1991, the March 13, 1990 loan agreement was amended to include another bank. Under the amended loan agreement, in August 1991 the second bank assumed $1,360,000 of the prior loan balances. The second bank also extended a loan arrangement which makes $940,000 available to the Trust to be used for future stock purchases by the ESOP Plan. This loan arrangement is available until June 1, 1992. The Company is acting as a guarantor of the loans and, as a result, has recorded the principal balance of such loans on its balance sheet as long-term debt with an offsetting charge to "ESOP Deferred Compensation" within the Stockholders' Equity section.

NOTE 3. Long-Term Debt - Cont.

The March 1990 loan bears interest on the principal amount outstanding at a rate equal to a) 11% through March 31, 1993; b) prime as of April 1, 1993 plus 1/2 of 1% from that date to March 31, 1996; and c) prime as of April 1, 1996 plus 1/2 of 1% from that date to March 31, 1997. The August 1991 loan bears interest at a rate of 9.05% for a three-year term. Principal payments on both loans are designed to be amortized over seven years.

The Company intends to make contributions to the Trust sufficient to pay all principal and interest on the loans when due. Such contributions will be expensed as compensation and interest when made. The principal portion of such contribution amounted to $163,544 for the first six months of fiscal 1992, while the interest portion was $96,894 for the same period. As the principal amount of the loan is repaid, the "ESOP Deferred Compensation" will be reduced accordingly.

NOTE 4. Contingencies

The Company is party to lawsuits and claims arising in the normal course of business. Management believes these will not result in any significant additional liability to the Company.

RESULTS OF OPERATIONS

The Company is in the business of designing, manufacturing and marketing communications security equipment. The Company receives orders for equipment from customers which take several months or longer to design, develop, manufacture and ship. Because the Company recognizes income on such long-term contracts only when products are complete and ready for shipment, the "bunching" of revenues may result. Quarterly comparisons of revenue may, therefore, not be relevant. The Company at all times maintains a sufficient level of staff necessary for product development and its marketing and manufacturing efforts. As a result, its expenses do not fluctuate in tandem with quarterly revenues.

The financial condition of the Company continues to be strong in that current assets are more than four times current liabilities.

Backlog at March 28, 1992 was $3,757,605, representing a 31% decrease from the prior fiscal year-end's backlog of $5,407,697. On April 23, 1992 the Company announced the award of a contract with a potential value of up to $9 million. The initial procurement of $3.2 million under that contract is an addition to the March 28, 1992 backlog.

Net Sales for the quarter ended March 28, 1992 were $4,448,039 as compared to net sales of $2,517,496 for the same quarter of last year. The increase in second quarter shipments is due to the "bunching" explained in the first paragraph of this section. The Company expects to continue its pattern of uneven quarterly revenue performance in fiscal 1992. For the six months ended March 28, 1992 net sales were $7,910,085 as compared to $6,428,485 for the same period of last year. The increase in shipments for fiscal 1992 to date is due to the "bunching" explained in the first paragraph of this section.

Gross profit for the second fiscal quarter was 62% of sales as compared to 68% of sales for the same quarter of the prior fiscal year. The lower margin percentage was a result of the composition of orders shipped in this quarter which included more lower-margin products than the comparable quarter of the prior fiscal year. For similar reasons, gross profit for the first six months of this fiscal year was 61%, while gross profit for the same period of fiscal 1992 was 66%. This reflects a gradual trend towards lower-margin products with an expectation of higher volume potential.

Operating expenses for the second quarter of fiscal 1992 were $1,880,161, compared to $1,510,459 for the same period of fiscal 1991. This increase in operating expenses resulted from an increase in spending on company-funded research and development and marketing expenditures. The contract award announced on April 23, 1992 was the result of a significant portion of these company-funded research and development expenditures. These are also the reasons for the overall increase in Operating Expenses from $3,236,872 to $3,609,568 for the respective six-month periods of fiscal year 1991 and 1992.

Interest expense of $98,894 was paid on the ESOP loan during the first six months of fiscal 1992. This exceeds the interest expense of $73,514 for the first half of the prior fiscal year due to a higher average outstanding balance on the ESOP loan in fiscal 1992.

After-tax earnings for the second quarter were $634,671 or $0.51 per share; the prior fiscal year's second quarter after-tax earnings were $179,736 or $0.15 per share. Earnings for the six-month period ended March 28, 1992 were $892,087 or $0.72 per share; the prior fiscal year's first six-month period ended March 30, 1991 had earnings of $728,750 or $0.60 per share. Fiscal 1992 earnings exceeded the prior year's results because of higher revenue.

Liquidity and Capital Resources

Cash and short-term investments were $6,103,199 as of March 28, 1992, representing an 8% increase from the September 28, 1991 position of $5,635,733 due to earnings during the period, partially offset by changes in assets and liabilities, primarily a reduction in accounts payable. The current ratio remains strong at 4.25:1.

Effective May 1, 1992, the Company and its bank renewed its existing Revolving Line of Credit Agreement. This provides an availability of up to $3,500,000 until May 1, 1993. Borrowings under the line of credit bear interest at the bank's prime rate plus one half percent (1/2%) per annum. The line of credit is secured by a lien on all of the Company's assets and will be used for working capital requirements and to support letters of credit. While there have been no borrowings under the line of credit, availability under the line has been reduced by $1,421,564 as of March 28, 1992 for outstanding letters of credit.

On November 17, 1989, the Company established the Technical Communications Corporation Employees' Stock Ownership Trust for the benefit of its employees. On March 13, 1990, the Trust, the Company and a bank entered into a loan agreement whereby the Trust could borrow up to $2,500,000 through March 31, 1991 to be used to purchase shares of the Company's Common Stock. On March 16, 1990, the Trust purchased 100,000 shares from the President of the Company and his family at the fair market value of $1,212,500. On February 11, 1991, the Trust purchased an additional 90,350 shares from the President of the Company and his family at the fair market value of $1,287,488. In August of 1991, the March 13, 1990 loan agreement was amended to include another bank. Under the amended loan agreement, in August 1991 the second bank assumed $1,360,000 of the prior loan balances. The second bank also extended an open line of credit of $940,000 to the Trust to be used for future stock purchases to the ESOP Plan. This line of credit is available until June 1, 1992. The Company is presently negotiating with the bank to extend this arrangement through June 1, 1993 in the amount of $1,000,000. The company is acting as a guarantor of the loans and, as a result, has recorded the principal balance of such loans on its balance sheet as long-term debt with an offsetting charge to "ESOP Deferred Compensation" within the Stockholders' Equity section.

The March 1990 loan bears interest on the principal amount outstanding at a rate equal to a) 11% through March 31, 1993; b) prime as of April 1, 1993 plus 1/2 of 1% from that date to March 31, 1996, and c) prime as of April 1, 1996 plus 1/2 of 1% from that date to March 31, 1997. The August 1991 loan bears interest at a rate of 9.05% for a three-year term. Principal payments on both loans are designed to be amortized over seven years.

The Company intends to make contributions to the Trust sufficient to pay all principal and interest on the loans when due. Such contributions will be expensed as compensation and interest when made. The principal portion of such contribution amounted to $163,544 for the first six months of fiscal 1992, while the interest portion was $98,894 for the same period. As the principal amount of the loan is repaid, the "ESOP Deferred Compensation" will be reduced accordingly.

PART II. Other Information

Item 1. Legal Proceedings

On February 13, 1985, a former salesman of the Company filed a complaint in Middlesex County Superior Court in the Commonwealth of Massachusetts against the Company, and against the Company's employees Arnold McCalmont (who is also the President and Chairman of the Board of Directors of the Company) and James McCalmont (an employee and currently a Director of the Company) for damages arising out of the termination of the former employee's employment.

On or about May 8, 1987, the Company filed a counter-claim against the former employee regarding certain statements made by the former employee concerning his qualifications and work history.

On April 29, 1992, an agreement was reached to settle these matters without material cost to the Company.

The Company is party to other lawsuits and claims arising in the normal course of business. Management believes these will not result in any significant additional liability to the Company.

PART I. Other Information (continued)

Item 2. Changes in Securities:

Not applicable.

Item 3. Defaults Upon Senior Securities:

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders:

Not applicable.

Items 5. Exhibits and Reports on form 8-K:

a. Exhibits - Statement regarding computation of per-share earnings, reference is made to Note 1 of the Notes to the Condensed Consolidated Financial Statements on Page 4 of this Quarterly Report on Form 10-Q.

b. Reports on Form 8-K - None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TECHNICAL COMMUNICATIONS CORPORATION
(Registrant)

11 May 92
Date

By: _____
ARNOLD M. McCALMONT, PRESIDENT

11 May, 1992
Date

By: _____
GRAHAM R. BRIGGS, CHIEF FINANCIAL OFFICER